June 20, 2003

The Honorable Earl Pomeroy U.S. House of Representatives 1110 Longworth House Office Building Washington, DC 20515

Dear Congressman Pomeroy:

As President of the American Osteopathic Association (AOA), I write to thank you for your support of the "Medicare Prescription Drug and Modernization Act of 2003" (H.R. 2473) in the House Ways and Means Committee.

The AOA, which represents the nation's 49,000 osteopathic physicians, thanks the Committee for including and supporting provisions to address the physician payment update. As you know, physician reimbursements are projected to be reduced by 4.2% in 2004 with additional cuts projected through 2007. This legislation replaces the projected cuts for 2004 and 2005 with a modest increase. Additionally, we thank the Committee for supporting the provisions that require additional studies evaluating the problems with the current physician payment formula.

We are pleased that the Committee adopted an amendment offered by yourself and Representative Nussle aimed at improving reimbursement inequities that impact rural physician and hospitals. This provision had strong bipartisan support on the Committee and we applaud its inclusion in the legislation. We believe that this provision will encourage physicians to continue practicing in the nation's rural communities, providing care to the most vulnerable Medicare beneficiaries.

Also, we appreciate the Committee's continuous efforts to reduce the regulatory burden on physicians. Reduction in regulatory burden remains one of the top priorities for the AOA and we appreciate including corrective provisions in H.R. 2473.

We look forward to working with you to secure the approval of this legislation by the entire House. Please contact the AOA's Department of Government Relations at (202) 414-0140 for assistance on this or other issues.

Sincerely,

Anthony A. Minissale, D.O.

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President